

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1789 - SB 2318**

February 18, 2014

**SUMMARY OF BILL:** Requires any express warranty made in respect to a HVAC system to include language which identifies the person who is making the express warranty and which conforms to the federal standards for disclosure of warranty terms and conditions set forth in the federal Magnuson-Moss Warranty-Federal Trade Commission Improvement Act. Any entity providing a warranty or product registration card or form, or an electronic online warranty or product registration form, to be completed and returned by the customer, the card or form shall contain statements, each displayed in a clear and conspicuous manner that informs the consumer that the card or form is for product registrations only and the failure to complete and return the card or form does not diminish the consumer's warranty rights. Any requirements of this act place on the distribution of any warranty or product registration card or form, or an electronic online warranty or product registration form shall become effective July 1, 2014. Authorizes a person to bring an action individually to recover actual damages if such person suffers an ascertainable loss of money or property, real, person, or mixed, or any other article, commodity, or thing of value wherever situated, as a result of the use or employment by another person of an unfair or deceptive act or practice that is declared to be unlawful by this act.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- According to the Department of Commerce and Insurance, Division of Consumer Affairs, this bill will have no significant fiscal impact on the Division. Any additional responsibilities can be handled within existing resources.
- There will not be a sufficient number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.

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## **IMPACT TO COMMERCE:**

### **NOT SIGNIFICANT**

#### Assumptions:

- Any company that currently has product warranty and registration cards or forms that do not currently meet the requirements of the proposed legislation will have to personally reprint the cards or forms. This will result in an increase in business expenses.
- Companies that print these warranty and registration cards and forms for other companies will realize an increase in revenue.
- It is unknown how many businesses will be impacted with increased expenditures or revenue to reprint the cards or forms, but it is reasonably assumed that the net impact to commerce statewide will be not significant.
- This will have no significant fiscal impact on any person or entity providing express warranties to customers in regards to an HVAC system purchased from any such person or entity.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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